



ILLINOIS DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Doing Business with the Illinois Department of Children and Family Services

A Handbook for Prospective Contract Partners

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A Handbook for Prospective Contract Partners

Doing business with a government entity can be daunting. There are seemingly endless rules and regulations. And sometimes, expectations and requirements are hard to understand or are just not clear.

This handbook is designed to take the mystery out of the performance based contracting procedures and contracting in general, in Illinois. It explains expectations in clear and understandable terms, answers frequently asked questions and provides hands-on tools to help community agencies and other organizations that work with the Illinois Department of Children and Family Services (IDCFS) to help them be successful during the contracting process and after contracts are awarded.

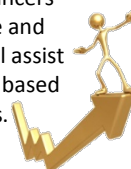
Specific requirements regarding available contracts will continue to be provided once a Request for Proposal (RFP) is released. This handbook offers general considerations that proposers should keep in mind when preparing to do business with the IDCFS. The topics covered provide insight into the contracting procedure that will help first time proposers as well as community partners who have track records as government contractors. This sharing of information is intended to benefit all stakeholders.

On the following pages, there are technical assistance sections. Two technical assistance sections are labeled “enhancers” and “detractors”. The “enhancers” provide positive tips, suggestions and ideas to consider which contribute to success in the contracting process. The “detractors” highlight pitfalls in the contracting process which should be avoided.

There are sections which are labeled “LEARNING OPPORTUNITY.” “Strategic Considerations” from these sections will increase the likelihood of success during the contracting process and afterwards. And, there are also sections for note taking so that relevant information specific to a proposer’s organization may be recorded.

Enhancers

- ✓ Refer to the “Enhancers” sections for advice and reminders that will assist with performance based contracting efforts.



Detractors

- X Review the “Detractors” sections to avoid frequently made mistakes.



DETRACTORS

What is Performance Based Contracting?

Times have changed when it comes to how government contracts are awarded in the child welfare system in Illinois. To improve outcomes for children, IDCFS currently uses a “performance based contracting” model. This simply means that when contracts are awarded, IDCFS expects to see measurable benefits to clients of private agencies where the money is being spent.

Specifically, agencies are expected to manage cases sufficiently to be able to show:

- 1) that the average length of stay in foster care is reduced by the services provided,
- 2) an increase in the exit rate or permanency rate (reunification, adoption, subsidized guardianship), and
- 3) maintenance of balance between the number of cases exiting and entering the system, thereby controlling the number of open cases.

Agencies that show that these specific performance measures are being met are considered to be “high performing” and are more likely to have contracts renewed, be awarded bonuses or win additional contracts. Agencies that cannot show how these factors are being met are considered to be riskier business partners and may not be awarded funding.

Performance based contracting holds IDCFS partners accountable for providing quality, effective services. This is also known as a “fee for service” contracting model.

Notes:

How Does the Contracting Process Work?

IDCFS makes contract dollars available to private agencies to provide day-to-day

- case management services,
- family preservation and support services,
- family foster care,
- kinship care,
- adoption,
- respite care,
- institutional care,
- group care,
- independent living skills , and
- transitional living skills.

When dollars are available, IDCFS releases RFPs, inviting private agencies to apply for funding. Typically, RFP processes span 6 weeks.

During this time, IDCFS releases formal documents that explain how the dollars are intended to be used, time frames for submitting proposals, the contract period, information which must be included in the proposal and guidelines for reporting on the funding the money once the contract is awarded.

IDCFS also occasionally releases “Invitations for Bids” or IFBs. IFBs differ from RFPs in that they are awarded to individuals or organizations that provide support services rather than direct service to clients.

From time to time, IDCFS also releases “Requests for Sealed Proposals” or RFSPs which require submission of complete, packets that are delivered in sealed envelopes. This is designed to ensure a competitive bidding process.

SPECIAL NOTE: For purposes of this handbook, the term RFP will be used to refer to all three ways that IDCFS announces available contracts.

Why are Contracts Awarded?

Contracts are awarded to enlist community partners to administer the child welfare program in the state. Research shows that well-being of families is best achieved when government agencies and community partners collaborate on service delivery.

Which Agencies are Eligible to Apply for Contracts?

- × RFPs indicate agency requirements. Don't waste time applying for contracts unrelated to your agency's work.

- × Failure to demonstrate how your agency satisfies RFP eligibility standards is unacceptable.

DETRACTORS



RFPs are released to the general public. Eligibility to receive funding varies. Specific agency requirements are explained in detail when RFPs are released. Generally speaking, agencies that have a proven track record for providing services, can prove financial stability through complete and accurate accounting procedures and records, have competent managers and staff in place to provide service and which have solid tracking/assessment procedures in place to measure performance are most likely to be awarded. Agencies that may not have a track record in place but that have systems in place to achieve desired performance measures are also strong contenders to be awarded contracts.

LEARNING OPPORTUNITY: A long time contractor with Government Agency XYZ, Company One had on file a “master proposal” used to solicit funding. Normally, the grant writer at Company One would customize the master proposal to show how the agency met the requirements stated in the RFP. When Government Agency XYZ announced an RFP that Company One was qualified to apply for, the grant writer was on an extended vacation.

Having been successful with prior RFPs, Company One management submitted to Government Agency XYZ a file copy of a proposal that had been funded previously, believing that since they were already a contract partner, Government Agency XYZ would give them the benefit of the doubt regarding their ability to provide the services requested and fund the proposal. Unfortunately, because the proposal was not tailored to the specifications in the new RFP, despite Company One's prior status as a contractor, the proposal was not funded.

STRATEGIC CONSIDERATION: Be sure to update “master proposals” to reflect specific information required by RFPs.

What Kind of Services are Typically Contracted?

Determinations about which services will be contracted depend on available funding and need for identified services. In recent years, IDCFS has awarded contracts for the following services:

<u>RFPs</u> <ul style="list-style-type: none">• Independent Living Programs• Specialized Foster Care for Youth With Special Needs• Residential and Group Home Services• Family Recovery Partnership	<u>IFBs</u> <ul style="list-style-type: none">• Transportation Services• Software Development Services• Therapeutic Services• Professional Consultation	<u>RFSPs</u> <ul style="list-style-type: none">• Supplemental Educational Services
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IDCFS expects to continue to contract these types of services in the foreseeable future and will release RFPs when funding is available.

When RFPs are released, community partners or vendors that are prepared to deliver the services to be contracted are encouraged to apply for the funding.

Notes:



May Proposers Ask Questions Once RFPs are Released?

Yes, proposers are encouraged to ask questions and may ask questions in either of two ways. In most situations, a vendor conference will be held and an IDCFS staff member will review the requirements of the RFP. In instances when a vendor conference is not scheduled, proposers may contact an IDCFS staff member by email or telephone to request clarification. Procedures for asking questions are explained in individual RFPs.

LEARNING OPPORTUNITY: Government Agency XYZ announced a mandatory vendor conference because new contracting procedures were being introduced. Company One did not send a representative to the conference because they had been doing business with the funder for years and had a proven track record. Company One submitted a thorough proposal which they thought clearly explained their ability to perform the services needed. Unfortunately, their proposal was not accepted or scored because the sign in sheets from the mandatory vendor conference orientation did not include a signature from their agency.

STRATEGIC CONSIDERATION: Be sure to attend **MANDATORY** meetings announce by contract funders.

Where do Contract Dollars Come From?

IDCFS awards contracts based on federal and state funding. IDCFS will indicate when funding is from the federal government. Sometimes, funding is available only one-time. In other situations, funding is on-going and contracts may be renewed after the initial funding period. The funding source usually determines how awarded dollars may be used.

Notes:



What Makes a Strong Proposal?

Successful proposers are typically individuals or agencies that create a clear picture of their ability to provide the services being contracted. Strong proposals usually include, in some combination, the following information:

- Clear description of agency missions, vision and values
- Statement of Need - explanation regarding why funding is needed, how clients will be impacted by the availability of the service to be contracted
- Evidence of agency reputation for providing service/support in the community
- Explanation of deliverables – description of desired outcomes or goals that will be achieved
- Proof of agency ability to collaborate with other agencies (private or public) to provide resources to the community
- Description of an organizational structure with well-qualified professional staff and/or a professional network which will deliver the services
- Evidence of organizational sustainability -financial records which show financial assets sufficient to operate the organization, with or without the grant
- Unique, innovative and effective approaches to providing relevant services
- Explanation of how “best practice” or state-of-the-art techniques will be incorporated into service delivery

- ✓ Read the entire RFP before beginning to write
- ✓ Pay attention to deadlines. A missed deadline is a missed opportunity.
- ✓ Submit the number of copies of the proposal that is required - no more, no less
- ✓ Be sure to submit required financial records.

ENHANCERS



- × Don't email or fax proposals if the RFP does not specifically state that those formats are acceptable.
- × Don't deliver the proposal to the wrong address; confirm the required delivery address
- × Don't leave out required portions of the RFP

DETRACTORS



- Data collection/performance assessment strategies which enable agency to demonstrate effectiveness/results
- Strategies/plans for reporting results to the funding source
- Quality assurance components which explain how program effectiveness will be monitored during the contract period
- Breakdown of costs and how the contract funds will be used

IDCFS will consider the entire proposal when determining whether to award contracts. The extent to which the proposal responds directly to the questions in the RFP and follows the format of the RFP will allow IDCFS to make a fair and objective assessment.

Notes:

What Procedure is Used to Evaluate Proposals/Bids?

RFPs generally indicate the rating scale/assessment procedure that will be used to evaluate proposals. Points are awarded for portions/components of proposals. Typical evaluation areas for RFPs consist of the:

- work plan (whether a clear plan of how the money will be used is provided, describes how and where services will be provided),
- qualifications of the proposer (whether the agency possess the past experience and or capacity to administer the proposed program) and,
- cost effectiveness (whether the budget provides for reasonable planned use of funds to deliver services)

Notes:



IFBs are generally awarded to the lowest, responsible bidder. Typical evaluation categories for IFBs consist of the following factors:

- Administrative compliance – the extent to which the proposal was submitted in compliance with instructions
- Responsibility – whether the proposer has proper certifications, financial stability, perceived ability to perform completely as specified
- Responsiveness – whether the proposal meets stated requirements
- Price – the lowest price that meets administrative, responsibility and responsiveness requirements

Notes:

Do Other Factors Also Help Determine Whether Contracts are Awarded?

Yes, if IDCFS contracts have previously been awarded to agencies, the performance of the agency during the contract period is also considered. Agencies that:

- have not achieved desired outcomes,
- have not implemented the proposed strategies,
- have not meet monitoring/compliance requirements, or
- have been deemed to be “risky” for doing business by financial ranking organizations may not be funded.

✓ Make every effort to achieve desired outcomes. Having a Proven Track Record is key.

✓ Submit progress reports regularly

ENHANCERS



× Don't forget to keep good records. Poor-record keeping is a disqualifier.

× Pay attention to the agency's financial health. Stick to the budget

DETRACTORS



Do Agencies Have Recourse if They do not Receive Contracts?

Agencies that are not awarded contracts may file appeals. Appeals must state specifically why proposals should be reconsidered. Generally, reasons like procedural violation, improper review and evaluation of facts or discriminatory practices would serve as reasons for granting of appeals.

The Illinois Administrative Code provides guidelines for how and when appeals must be filed and how they must be investigated. Appeal guidelines may be obtained at:

<http://www.ilga.gov/commission/jcar/admincode/044/044000010R55500R.html>

Appeals must be submitted within 7 days after contract awards are announced.

Notes:

How are Contracts Monitored Once They are Awarded?

Depending on the services to be provided, most RFPs describe exactly desired outcomes and the types of information/evidence that will be reviewed to measure the effectiveness of contracts that are awarded.

Generally, RFPs call for weekly, monthly or quarterly submission of reports that measure distinct indicators of success. These indicators may consist of factors like a reduction in referrals received and increases in reunification rates.

In addition, contractors are expected to comply with the provisions for being a vendor with the State of Illinois. Specific vendor guidelines may be found at www.purchase.state.il.us

- ✓ Establish internal monitoring procedures which include benchmarks

- ✓ Monitor program and fiscal progress indicators

ENHANCERS



- × Failure to communicate with the funder regarding challenges to service delivery is unacceptable.

- × Don't ignore problems or signs of non-compliance

DETRACTORS



LEARNING OPPORTUNITY: Company One was awarded a substantial award for a high profile contract, which included a provision for submission of monthly progress. For the first 3 months of the contract period the reports were submitted in a timely manner. Unexpectedly, one of the project managers of the agency resigned 5 months into the contract period. In anticipation of leaving, unbeknownst to management, she stopped performing several duties prior to her departure.

A few months after the project manager left, management discovered the backlog of work. For six months, monthly reports had not been submitted. Not wanting to appear inefficient, instead of notifying Government Agency XYZ about the discovery, Company One's management tried for 2 more months to work out the problem and catch up on reports. Because they were understaffed and work was bogged down, their efforts to eliminate the backlog were unsuccessful.

In response to not receiving the agreed upon monthly reports for over six months and because Company One did not offer an explanation for why progress reports had not been submitted, Government Agency XYZ placed the agency on probation and eventually suspended, then terminated the contract with Company One for cause.

STRATEGIC CONSIDERATION: Establish procedures to ensure that proper contract monitoring occurs. Notify the funder immediately if unforeseen challenges to progress reporting occur.

Notes:

[illegible]

What Is Expected Once Grants are Awarded?

Awarded contracts are expected to directly impact the well-being of children and families served by IDCFS. Depending on the type of contract awarded, measurable outcomes may include permanency through reunification, adoption or subsidized guardianship; delivery of educational services; assistance with employment and training; access to healthcare and mental health services; development of self-sufficiency skills, etc. Program specific desired outcomes are stated specifically in RFPs when they are released.

Following good business practices is also expected. These may be reviewed in the event of an audit.

- Adhere to proper billing procedures – turn in billing invoices in a timely manner and accurately charge services to the appropriate contracts.
- Maintain contract related records for prescribed period of time after the contract period, generally 3 years.
- Ensure that staff is properly credentialed or certified as required in the RFP and keep evidence of credentials/certifications on file.
- Maintain proper staffing levels, by creating plans for dealing with staffing shortages and/or work stoppages,
- Properly select and screen staff making deliberate efforts to ensure staffing diversity
- Enforce staff training requirements, provide for ongoing staff training and keep training records on file.
- Implement a comprehensive and thorough quality assurance program

LEARNING OPPORTUNITY: Company One solicited and won a contract to provide transportation services to foster youth. Company One also solicited and won a contract to provide transportation services to senior citizens. Both contracts required itemized billing. To save time and effort, Company One used one trip reporting form for both programs. At first, drivers employed by Company One were careful to indicate on the forms which client populations are transported. Later forms were turned in that do not indicate which clients were being transported. When Government Agency XYZ conducted an unannounced audit, Company One couldn't determine which trip reporting forms should be charged to the separate programs. As a result, charges for a large number of trips were disallowed by Government Agency XYZ.

STRATEGIC CONSIDERATION: Establish and follow procedures to ensure that fees are charged accurately.



Notes:

How Can Agencies Obtain Assistance with Meeting Desired Outcomes After Contracts are Awarded?

IDCFS encourages contract partners to seek assistance when they encounter challenges in meeting performance standards. Whether the difficulty relates to service delivery, fiscal management or assessment of results, IDCFS is willing to serve as a resource to help agencies obtain the assistance needed to be successful. When poor performance is noted, IDCFS provides feedback and refers agencies for training, as well as technical assistance. Both strategies are efforts to help community partners and contractors succeed.

What Assistance is Available to Help Contract Partners succeed?

IDCFS believes that the only way for contractors to consistently meet contracting guidelines and requirements is for agencies to acknowledge difficulties and assistance that is needed. IDCFS staff is committed to helping make contract partners successful and consequently makes staff available to provide advice regarding program implementation, in accordance with government guidelines and requirements.

Whenever possible, IDCFS will arrange training on contracting procedures. As needed, when deficiencies are noted, IDCFS will refer contractors to specific technical assistance providers in effort to provide the tools and expertise to succeed.

Contractors who wish to request training or other types of technical assistance should contact IDCFS. Assistance can be requested by emailing: dcfstraining@illinois.gov



Key Terms and Definitions for this Document

Appeal	-	serious or urgent request for reversal of a decision
Best Practice	-	professional procedures accepted as correct or most effective
Contract Period	-	commencement date to completion date for providing services
Contractor	-	person or company awarded funding to provide services
Deliverables	-	services that must be provided during the term of a contract
Desired Outcome	-	predetermined results to be achieved from contract services
Fee for Service	-	payment for a specified delivery of services
Financial Stability	-	ability of a business to meet its debts when due
“High Performing” Agency	-	agency that meets/exceeds expected performance measures
Invitation For Bids (IFB)	-	invitation to submit a proposal on a specific service or product
“Low Performing” Agency	-	agency that fails to meet expected performance measures
Organizational Structure	-	hierarchy within an agency that enables business performance
Organizational Sustainability	-	sufficient resources to maintain the agency for the long term
Performance Based Contracting	-	fees paid to contractors depend on results achieved from work
Performance Measures	-	qualitative/quantitative tool to assess progress towards a goal
Proposer	-	person or agency seeking to receive a contract
Quality Assurance	-	monitoring of service delivery to ensure desired outcomes
Request for Proposal (RFP)	-	announcement that funding is available for a particular program
Technical Assistance	-	systems of support to help agencies achieve desired outcomes
Vendor Conferences	-	meetings where procedures and expectations are explained
Well-Being	-	state of being strong, healthy and happy

General Considerations/Common Mistakes to Avoid

Proposal Related

- Be sure to submit the requested format. If a CD is requested, submit one.
- Make sure that your proposal can be opened and read. Use Microsoft Word unless instructed otherwise.
- Don't wait to the last minute to use next day mail. IDCFS mail goes to a central mail room. If the proposal is not received in the office specified by the due date, it will be marked late and will not be accepted.
- Comply with funding guidelines. Don't requesting more money than amounts available. Stay within limits for indirect costs and other expenditures.
- Be sure to submit all requested certifications and assurances, such as the State board of Elections Registration Certificate.

Service Delivery Related

- Failure to meet deliverables will cause a contract to be termination and may prevent future contract awards.
- Be prepared to show multiple funding sources and be prepared to show that different funding streams are accounted for separately. Co-mingling of funds from different funding sources is not allowable.
- On-going monitoring of service delivery is expected. Be sure to establish and implement tracking and assessment systems to ensure that desired outcomes are achieved.
- IDCFS contractors are subject to State of Illinois vendor guidelines. Be familiar with these guidelines and follow them.
- Follow proper subcontracting guidelines and only subcontract when permissible by contract provisions.
- Establish processes to ensure proper assessment/referral of clients. Create and follow a clearly delineated procedure to follow when referrals are received and when needed services fall outside of available agency services.
- Adhere to established placement procedures and carefully and accurately document placement activity.
- Devise and deliver an array of appropriate and required services which promote or enhance safety, well-being and permanency and which are culturally responsive.